Robert L. Ehrlich, Jr. Governor

Kendl P. Philbrick Secretary

Michael S. Steele Lt. Governor

March 29, 2004

Fellow Marylanders:

It is telling that two of the leaders of the effort to restore the Chesapeake Bay – Senator Charles C. "Mac" Mathias and Governor Harry R. Hughes – appeared before a legislative committee to endorse Governor Ehrlich's plan to cut the flow of nitrogen into the bay. Both embraced the idea and urged the General Assembly to enact the bill (House Bill 555/Senate Bill 320). In this issue, we look at the impact this historic legislation could have on the Chesapeake Bay.

As always, your comments and ideas are welcome.

Sincerely,

Kendl P. Philbrick

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Secretary

Kendl P. Philbrick, Secretary Maryland Department of the Environment

March 29, 2004

Watershed Restoration Fund: Toward a Healthy Bay

We are running out of time!

To meet our commitment under the Chesapeake 2000 Agreement and to retain control of Maryland's environmental policies (the alternative is for the federal Environmental Protection Agency to be in charge), we must reduce the amount of nitrogen flowing into the bay from Maryland sources by 20 million pounds. Unless we achieve dramatic reductions in nutrients flowing from wastewater treatment plants and do so quickly - we will not meet that goal by 2010.

Fortunately, Governor Ehrlich has proposed legislation that would reduce nitrogen flowing into the bay from wastewater treatment plants by 7.5 million pounds a year, fully a third of the goal. For a modest \$2.50 monthly fee levied on households that are served by sewer systems and a comparable fee on businesses, we can install cutting-edge technology on the 66 major treatment plants in Maryland. These plants are responsible for 95 percent of nitrogen in treated effluent.

The technology, known as enhanced nutrient reduction, or ENR, would cut nitrogen to 3 milligrams per liter of effluent, the best we can consistently achieve at present, scientists say. The cost to upgrade the major plants would be \$750 million to \$1 billion, which would be raised through bonds. The monthly fee would generate about \$66 million a year to repay the bonds. Plant owners would still be responsible for half of the cost of achieving biological nutrient reduction, or BNR, the intermediate step on the way to ENR.

If the Chesapeake Bay Watershed Restoration Fund is enacted this year, design and construction will begin in 2005. By 2009, work will be completed or underway on all 66 plants. The work will be substantially finished by 2011, and we will have taken a huge step toward restoring a national treasure to health - not just because of pressure from Washington, but because it is the right thing to do, our obligation to future generations.

Not since environmentalists and the state combined forces to ban phosphates from the bay has the potential positive impact on the bay been so great. If the Fund is signed into law this year - and it would be unconscionable not to approve it - the issue will no longer be that we are running out of time. Instead, the second half of this decade will bring steady improvement to the Chesapeake Bay.